

Culturally Embedded Organizational Learning for Global Responsibility

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Abstract

This article proposes a multilevel model of Global Responsibility as a culturally embedded organizational learning process. The model enables an analysis of the way culture influences how responsibilities are defined and distributed in a culture at a given point in time, and how organizations learn to address new responsibilities in new ways when the context changes. The model starts at the organizational level and zooms in on the individual level as well as outward to the local, national, and international levels. The case of a French multinational company subsidiary in Brazil illustrates how the model can be used to show the relative relevance of the different sources of cultural influences on key stages in organizational learning processes. The authors include the arts as an inherent dimension of culture that tends to be overlooked in the management literature, and the case illustrates how the arts can play a role in organizational learning for Global Responsibility.

Culturally Embedded Organizational Learning for Global Responsibility

There is growing recognition that corporate social responsibility (CSR) cannot be treated as a “monolithic phenomenon” (Blasco & Zølner, 2010, p. 217) that is simply a global extension of Anglo-Saxon practices and standards. Evidence from studies conducted in different countries around the world show that the expectations about responsible behavior, as well as possible ways of meeting those expectations, are strongly influenced by national cultures (e.g. Habisch, Jonker, Wegner, & Schmidpeter, 2005; Matten & Moon, 2008; Preston, Rey, & Dierkes, 1981). Furthermore, the expectations and the repertoire of potential responses change over time. As Campbell pointed out when he proposed an institutional theory of CSR, “the institutional terrain within which corporations operate is not static. Instead, there are dynamic pressures that ebb and flow, causing this terrain to shift” (Campbell, 2007, p. 962). CSR is a multifaceted and moving target rather than a monolithic and fixed agenda, so, as the members of the European Multistakeholder Forum on CSR noted, “corporate social responsibility is an ongoing learning process for companies and stakeholders” (2004, p. 4).

However, although several attempts have been made to reframe the field (Gond & Crane, 2010; Hahn, Kolk, & Winn, 2010; Schwartz & Carroll, 2008), an overarching model that adequately reflects the culturally embedded and dynamic nature of the phenomenon remains to be developed. The objective of this contribution is to outline such a model, identifying the multiple directions of learning involved and the multiple levels of embeddedness, and to illustrate its usefulness with a specific case. The authors first clarify their terminology and the theoretical underpinnings of their model. Then we illustrate the usefulness of this model by analyzing a collaborative learning process between local non-governmental organizations (NGOs) and the Brazilian subsidiary of a French-based multinational company to address the problem of youth unemployment.

Before describing our proposed model and its theoretical underpinnings, we believe it is essential to adjust the terminological frame. The term “Corporate Social Responsibility” (CSR) has undergone several redefinitions over the past decades (Carroll 1999), and additional labels such as business ethics (BE), corporate citizenship (CC), and stakeholder management (SM) have been introduced (for

recent reviews see Bergsteiner & Avery 2010; Schwartz & Carroll 2008). But these terms all suffer from the narrow focus on business organizations and social issues.¹ The terms reflect the trap that the field has fallen into: misconceiving “the corporation ... [as] the sun around which society revolves” (Frederick, 1998, p. 42). At a time when societies are discovering that “it is increasingly beyond the capacity of any single sector of society to respond effectively to the magnitude and complexity of today’s challenges” (Ruggie, 2004, p. 16), it is essential that all relevant actors be included on stage. Indeed, empirical research is finding that there is an increase in collaborative searches for solutions and “there is a tendency for them to involve a wider range of actors, moving from being tripartite to being multipartite” (Mailand, 2004, p. 418, see also Van Huijstee & Glasbergen, 2010). The authors use the term “Global Responsibility” (GR) because (a) it is not limited by the term “corporate” to the world of business, but rather recognizes that all kinds of organizations are expected to act responsibly; (b) it encompasses multiple dimensions of responsibility (environmental and economic as well as social); and (c) it recognizes that the context has become global, as issues do not respect national borders, actors operate in multiple contexts, and the impacts of their activities span across boundaries (Berthoin Antal & Sobczak, 2004). Irrespective of an organization’s legal form and sector, engaging in Global Responsibility entails learning together with its stakeholders to enhance its capacity to add “values”—in the broad sense of the term—in its social, economic, and natural environments, directly and indirectly (Berthoin Antal, Oppen, & Sobczak 2009).

In introducing a new heading for this field, the authors are seeking a change in its substance and scope, not just its name. Our intention is both analytical and normative: to clarify the ideas and to develop them further in order to improve practices in the daily management of organizations. The concept of GR redefines the scope of the field and the role of the different actors in it, thus allowing us to raise new questions, or at least draw more attention to already existing problems. For example, the heading “Global Responsibility” highlights the tensions between local and global perspectives, as well as to those that arise between economic, social and environmental issues, thereby stimulating the simultaneous analysis of these different dimensions. In a similar vein, an understanding of GR that encompasses diverse stakeholders confronts organizations with the tensions between individual and

collective interests. Furthermore, by enlarging the focus from companies to all kinds of organizations, new complexities will also emerge that the diverse actors will have to learn how to grapple with through intra- and inter-organizational learning (Berthoin Antal & Sobczak, 2004).

Theoretical Underpinnings: Organizational Learning and Cultural Embeddedness

We conceive Global Responsibility to be a culturally embedded intra- and inter-organizational learning process that requires multilevel analysis (Granovetter, 1992; Kostova, 1999). Our frame starts with the organizational learning process aiming at changing traditional ways of thinking and acting in order to integrate new expectations from their various stakeholders and at improving their impact on their economic, social and natural environment. The authors offer a novel conceptualization by proposing a double move: we move inwards to see individuals acting in these organizational learning processes, and outwards to see the cultural context(s) that shape(s) these processes.

Organizational Learning for Global Responsibility

We contend that the changing nature of stakeholders' ideas and expectations, and the transnational nature of many economic, social and environmental problems, make GR a constantly evolving phenomenon that requires learning processes which are increasingly intercultural and inter-organizational. Organizational learning theory offers concepts that differentiate between different kinds of learning that are relevant for describing and analysing the introduction of new perceptions, roles, and practices of GR. Of particular importance for GR is the fact that scholars in the field address the embeddedness of knowledge. Rather than treating knowledge as a factor that can be transferred from one context to another, they highlight the creative and processual nature of organizational learning. For example, Nonaka and his colleagues speak of the knowledge creation spiral (Nonaka & Takeuchi, 1995; Nonaka, Toyama, & Hirata, 2008) and others conceptualize the movement of knowledge and practices from one context to another as creative translation processes (Czarniawska & Sevón, 2005). A helpful analytical tool for our purposes is

the stage models that scholars have developed to describe processes of organizational learning. Although most models originally started with the phase of knowledge acquisition (e.g. DiBella, Nevis, & Gould, 1996; Huber, 1991), empirical work revealed the significance of a preceding phase, namely the awakening of a willingness or readiness to learn (Berthoin Antal & Krebsbach-Gnath, 2001), which is often coupled with problem identification and definition (Kerlen, 2003). The phase of knowledge acquisition is followed by its distribution and shared interpretation, then its concrete implementation as well as its storage in the memory of the organization. Despite the necessarily simplifying linear presentation of the stages, in practice the learning process often involves the need to go back to a former stage in order to deepen or revise certain aspects. For example, after having acquired some knowledge, it may appear that the definition of the initial problem changes. Figure 1 represents the different stages of an organizational learning process.

INSERT FIGURE 1 ABOUT HERE

Organizational learning theory also has the advantage of permitting multilevel analysis reaching from the local to the global (Senge & Sternman, 1992; Tsui-Auch, 2001), treating organizations as cultures and as embedded in cultures (Child & Heavens, 2001; Cook & Yanow, 1993). It addresses intraorganizational learning between sub-units of organizations (Macharzina, Oesterle, & Brodel, 2001; Senge, 1990) and interorganizational learning between separate organizations (Child, 2001; Lane, 2001). At the heart of organizational learning theories are individuals, because it is their minds and bodies that are involved in creating, sharing, making sense of, applying, retrieving, and then again revising the knowledge (Kim, 1993). Individuals, with their competences, hopes, and fears are the agents of organizational learning (Friedman, 2001). Attending to these dimensions of individual agency in organizational learning processes is the key to avoiding the trap in institutional theory, namely “the overly deterministic claim that institutions are solely responsible for corporate social responsibility” (Campbell, 2007, p. 948).

Cultural Embeddedness of Organizational Learning for Global Responsibility

The intra- and inter-organizational learning processes for GR are culturally embedded. We posit, for example, that when a foreign multinational company

decides to launch a GR initiative and address an issue in its cultural context, its point of departure is shaped by its culture of origin (national and organizational), which is likely to differ from the practices and expectations in the host country. Usually, the foreign multinational cannot act alone, it needs to engage with other organizations in the host country to develop and implement its response. The encounter offers a multilayered learning opportunity for GR: the foreign multinational has to learn what is considered appropriate and possible in the new context. In so doing it may discover its own often unconscious assumptions about how to act in society and thereby permit it to challenge and change them not only in this location but also in others. Similarly, the local organizations working with the multinational learn about different ideas for addressing issues in the societies in which they operate. An analysis of organizational learning processes for GR must therefore be multidirectional, seeking to identify the learning stimulated locally by the national or international level, as well as the learning initiated locally that affects thinking and practices in other locations, including the international level.

The authors use a broad definition of culture as a system of values, beliefs, and norms which are implicitly shared and expressed in traditions and routines or explicitly formulated in rules and laws. This conceptualization of culture applies to various entities, such as national, ethnic, regional, professional, and organizational (Friedman & Berthoin Antal; 2005; Hofstede; 1991; Schein; 1985; Trompenaars & Hampden-Turner; 1997). For the purposes of our model we will refer primarily to national and organizational entities, whereby organizations can be embedded in one or more national cultures.

In modern societies, individuals are cultural beings who are members of multiple cultures (Friedman & Berthoin Antal, 2005; Kostova, 1999; Swidler, 1986). They live in a community that is in a country; they work in an organization and their work may entail responsibilities to different units (e.g. headquarters and subsidiaries in multinational corporations) and they usually engage in other organizations as well (e.g. for political, religious, educational, and leisure activities). The authors propose that the multiplicity of cultural contexts in which individuals live and work has significant consequences for the way GR is perceived and implemented. First, it contributes significantly to making the substance of GR a moving target. When

people are exposed to different sets of ideas, beliefs, and values in the different cultural contexts they interact in, their expectations about what a responsible organization can and should be, and their understanding of what kinds of practices are appropriate to achieving those ends are subject to change. Second, the fact that people are not just employees but also citizens of a larger culture and participants in other cultural entities is often what motivates them to care about their organization's GR, and it energizes them to trigger organizational learning for GR. Third, employees' personal contacts in other cultural entities often serve to enable inter-organizational initiatives for GR.

The national culture within which an organization is embedded influences the expectations on the organization's responsibilities and the range of possible ways of fulfilling them. There are different ways of conceptualizing the way the national context affects the GR agenda of an organization. In the institutionalist vein of thought, Whitley (1997) refers to "national business systems" whose characteristics (e.g. understanding of the nature of the firm, organization of market processes, coordination and control systems) designate the "spaces" that organizations can or must fill (see also Maurice & Sorge, 2000; Sorge, 1991). Matten and Moon (2008) draw on this thinking to differentiate between implicit and explicit CSR, suggesting that the more space taken by explicit CSR in a national business system, the less is needed for implicit CSR, and vice versa.

A complementary analytical angle is the cultural approach, which the authors choose for several reasons. First, we want to frame the topic more broadly than the institutionalist "business systems" and the concomitant "varieties of capitalism" discourses, (e.g. Hall & Soskice, 2001) because the scope of "Global Responsibility" posits that all kinds of organizations in diverse systems are potentially held responsible in some way. Second, we attribute more significance to individuals as agents of GR in organizations in society than institutionalist theories permit. Thirdly, we find that organizational learning theories (Argyris & Schon, 1978; Dierkes, Berthoin Antal, Child, & Nonaka, 2001; Nonaka & Takeuchi, 1995) offer richer ways of conceptualizing how organizations develop new perspectives, roles, and practices than do the mechanisms of institutionalist theory (e.g. mimetism and isomorphism). Last but not least, the authors choose to take a cultural perspective because it

explicitly includes in its focus the role of the arts as an expression of what is and what could be. This aspect of culture has usually been omitted from the organizational behavior and management literature, other than as a part of corporate philanthropy. Recently, however, people in various contexts have been experimenting with bringing in the arts to stimulate various kinds of learning in organizations and society (Berthoin Antal, 2009; Brydon-Miller, Berthoin Antal, Friedman, & Gayá-Wicks, 2011), including GR (Berthoin Antal & Sobczak, 2010), so we treat it as a relevant dimension to consider in studying the perception, practice, and development of GR.

Overall, the national culture establishes the distribution of roles and responsibilities to different organizations in society, and the norms and values that organizations and their diverse stakeholders apply to define expectations and formulate responses. As the authors have argued and illustrated elsewhere (Berthoin Antal & Sobczak, 2007; Berthoin Antal, Oppen, Sobczak, & 2009), even if the topic of CSR/GR appears to be new in a culture, it would be a mistake to conceive of GR as having “started from scratch” at that time. Other authors, too, have documented the influences of national culture on the way CSR is understood and practiced in different countries (e.g. Habisch et al., 2005).

A multilevel analysis of GR must also look beyond the nation state to address the growing importance of the international levels of action. Here we refer not only to the dynamics of multinational corporations in which principles and initiatives for GR are often launched by headquarters and implemented in subsidiaries, but also to the organizations such as the European Community, the United Nations Global Compact, standard setting organizations like ISO, and NGOs like Greenpeace, which initiate processes that can influence expectations and practices in organizations of different kinds and sizes all around the world. These organizations are not culture-free: they develop their own organizational cultures as well, influenced more or less strongly by the national culture of founding or dominant members.

Figure 2 below pulls together the elements presented above and presents them visually as a framework for analysis.

INSERT FIGURE 2 ABOUT HERE

In the next section the authors illustrate the model with a multilevel case, showing the influence of the national and the international context as well as the role of individuals at each stage of the organizational learning process.

Illustrating the Model of the Cultural Embeddedness of Global Responsibility

To illustrate our model, we use the case of a French multinational company, L'Oréal, whose Brazilian subsidiary partnered with local NGOs to develop and implement an innovative GR project designed to address the issue of youth unemployment in São Paulo and Rio de Janeiro. Working together to address the problem of youth unemployment, they created "Oficina de Beleza" (beauty workshops) which provided professional training to disadvantaged youths. This case encompasses the dynamics that shape GR in practice in the interaction between three organizational cultures embedded in two national cultures, and it shows the role of the individuals in triggering and implementing intra- and inter-organizational learning for one dimension of GR. The two NGOs (Instituto Criar in São Paulo and Spectaculu in Rio de Janeiro) brought their experience from the world of the arts to bear on the learning process, so the case also permits us to illustrate how this aspect of culture included in our model can also contribute to developing GR.

The data² for this case were generated between November 2009 and February 2010 through semi-directive interviews with four managers (one at the French headquarters, and one in each of the three Brazilian organizations) as well as with 14 students who were currently taking part in the project or who had done so in the past. The interviews were transcribed and complemented by observation of two workshops in São Paulo and Rio de Janeiro. In addition, the authors studied documents from the three organizations in Brazil as well as materials from the French headquarters (Sobczak & Coelho Martins, 2010).

Willingness to Learn and Problem Definition

The development of an organizational learning process for GR first supposes that the managers of the organization recognize a need to improve their impact on its

economic, social and natural environment and thus a need for change their practices. As presented above, the stage models of organizational learning suggest that a problem often triggers the willingness to learn. However, in this instance it is useful to draw, as Margolis and Walsh (2003) recommend, on earlier research indicating that communications and events may serve as triggers (Janis & Mann, 1977), because the Oficina de Beleza project grew out of an event: L'Oréal celebrated its 100th anniversary in 2009 and the management at the French headquarters decided to mark the occasion by asking all its subsidiaries to develop an initiative of social solidarity in their countries. Anniversaries are indeed organizational opportunities to honor tradition and to launch future-oriented activities. They are effective triggers because they legitimize the use of funds for special initiatives, and by definition, anniversaries fix a precise deadline for the project to be launched, putting thus a kind of urgency that may trigger managers' attention to the stimuli. All the managers we asked confirmed that the anniversary had stimulated the definition of more ambitious goals than they had had in the past and of new ways of cooperating with local partners to achieve those goals.

An event triggers a search. But what explains where the search is directed? Our multilevel model suggests that in order to understand what the organizations undertook in response (the Oficina de Beleza project) to the triggering event (the anniversary), we need to look at the contexts in which the three organizations operate as well as of the role of the individuals. This case illustrates that the stimuli for the organizational learning process may come from different levels. The international, the national, and the individual level are all significant here, but their importance varies. It is thus necessary both to zoom out to get a bigger picture of the national and international context in which the organizations operate and to zoom in to appreciate the role of individuals inside organizations.

Influence of the International Context on the Willingness to Learn

Research has emphasized the role of multinational companies in introducing the GR discourse and practices in Brazil (Griesse, 2007), a country where the government has not been very active in promoting GR or even in controlling the respect of binding legislations, and where stakeholder pressure only emerged recently. Indeed, many

national companies in Brazil, in particular the smaller ones, do not even meet the legal requirements (Capp, Elstrodtm & Jones 2005).

The event that triggered the Oficina de Beleza project was an international one, since there was an explicit demand from the L'Oréal headquarters to the local managers to develop a particular social solidarity initiative within a specific timeframe. It is likely that the decision of the managers of the headquarters to use the 100th anniversary as an opportunity to invite the subsidiaries to develop new social solidarity projects grew out of the French cultural context, since French legislation imposes mandatory GR reporting for companies listed on the stock market, such as L'Oréal (Berthoin Antal & Sobczak, 2004). Stakeholders are exerting increasing pressure on companies to develop GR initiatives in their subsidiaries of the group, and even throughout the global supply chain (Berthoin Antal et al., 2009). Overall, at this stage, the influence of the international context was very high.

Influence of the National Context on the Willingness to Learn

Even if the main driver for the process was international, the influence of the national context should not be underestimated. It is helpful to remember that the transition in Brazil from a military dictatorship to a democratic government as of 1985 entailed significant changes in institutions and the constraining and enabling forces they represented for the definition and practice of GR in the country. Whereas in some countries (such as France) the government has used its traditionally strong role in the economy to intervene directly by encouraging companies to define and implement more responsible strategies and by empowering other stakeholder groups, in Brazil, the government's influence in this area has been much more indirect: it was mainly its incapacity to solve the country's social and environmental challenges that created a need for voluntary GR initiatives. Several additional factors push companies to respond to the GR challenge. The Catholic Church and business networks, such as the Association of Christian Enterprise Directors (Simoes, 2008), as well as the media have significantly influenced the recent development of the GR in Brazil (Vivarta & Canela, 2006). For example, the well-known sociologist Herbert de Souza launched a major TV campaign at the end of the 1990s to promote the idea of social reporting, pushing more companies to use this tool (Griesse, 2007). The media also play an important role in disseminating NGO campaigns in Brazil, as well as practices

from other parts of the world. These features in the national context constitute the backdrop that contributed to priming L'Oréal Brazil's willingness to launch a GR initiative. A more direct national-level factor was that the subsidiary had its own triggering event: the significance of the 100th anniversary of the L'Oréal group was intensified by the fact that the Brazilian operation celebrated its 50th anniversary the same year.

Our sense is that, overall, the influence of the national context at this stage of the learning process for GR did exist, but was rather low and indirect.

Influence of Individuals on the Willingness to Learn

Whereas all the subsidiaries of the L'Oréal group received the same stimulus to develop a GR initiative to celebrate the 100th anniversary, they were not all as innovative as the one in Brazil. This difference may be linked partly to the national context, but not all companies in the country nor all subsidiaries of multinationals committed to GR have developed similar learning processes. The difference may well lie at the individual level, as research underlines the role of individuals in organizational learning (Friedman, 2001). All the respondents emphasize the role of the director for communication from the very beginning of the process. She took the opportunity of the anniversary to develop existing initiatives in the field and to launch new ones. Her personal commitment energized the willingness of others in the organization to go beyond a purely formal response to the French headquarters' call for an initiative. Her links to NGOs, too, were significant factors in stimulating a willingness to undertake (an as yet undefined) socially relevant initiative. The interviews suggest that influence of the individuals at this stage was less important than the international context in triggering the willingness to learn, but nevertheless important (see Table 1).

Table 1. Cultural Embeddedness of Willingness to Learn in this Case

Relative importance for the willingness to learn	
International context	Very high
National context	Low

Individuals	High
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Knowledge Acquisition

Once the need to improve an organization's activities in the field of GR has been recognized, how do its managers try to acquire the knowledge to decide what to undertake and how? In order to respond to the specific GR challenges in Brazil, the management of the L'Oréal subsidiary took up the anniversary challenge by creating a committee to think about the main social issues in the country. The committee, composed of the CEO, representatives from each division, and from the departments of communication and human resources, very quickly decided to focus on an initiative that would help young people from disadvantaged areas get access to education, which is increasingly a condition to enter the job market. To analyze this stage of the process, we zoom out to understand the international and national contexts of the in the organization and then zoom in to analyze the management process put in place as a response to the stimuli.

Influence of the International Context on Knowledge Acquisition

Since the process started with a high level of importance of the international context, one might expect that this context also influenced the way the management acquired knowledge to face the challenge. For example, the local managers might have checked the initiatives launched in other subsidiaries of the L'Oréal group. The headquarters might even have offered a specific platform for learning to favor such an international dialogue on how to face the GR challenge. In fact, this did not happen. The managers of the Brazilian subsidiary decided not to investigate practices from other subsidiaries or even other companies outside of Brazil. To some extent, the headquarters demand expecting each country to find a distinctive initiative even prevented the international influences from being important at this stage.

Thus, the Brazilian subsidiary neglected possible potential for learning from comparative research that shows that many societies are grappling with youth unemployment. Indeed, unfortunately, the problem is not new: in the 1980s numerous European countries grappled with high levels of youth unemployment, and already then it was recognized that its complexity required the engagement of multiple actors (Berthoin Antal, 1990). The two general options are a) to recruit young

people into paid work in the company and b) to give them training in order to improve their employability. There are many variations within and between these two basic types of responses to the issue, such as full-time or part time jobs or (un)paid internships; formal courses or individual coaching; a focus just on technical skills or the inclusion of broad learning goals; programs lasting days, weeks, or months; solo-initiatives or programs organized with other organizations.

Despite the potential for organizational learning through the analysis of the initiatives developed in other countries, these international developments did not play a major role in the evaluation of the different options by the actors involved in the Oficina de Beleza project. The only reference to international influences mentioned by the interviewees is to the UNESCO report on education whose principles have to some extent guided the implementation of the project. But overall this influence was very low at this stage.

Influence of the National Context on Knowledge Acquisition

Even if GR raises some global problems, such as climate change, poverty or youth unemployment, the importance of these challenges as well as the possible solutions to them differ according to the national context. The actors in the field of GR are different in each country, although some actors are international and others are increasingly embedded in international networks. National influences are thus likely to be very important in the way organizations try to generate possible responses to the GR challenges.

Given the difficulties of the public sector to guarantee even basic education for the whole population, it is not surprising that the managers of L'Oréal Brazil decided to address the issue of youth unemployment. Research on the civil society in different countries has shown that education is also one of the main focuses of NGOs in Brazil (Salamon, Wojciech Sokolowski, & List, 2003). The influence of the national context was thus very high at this stage of the process.

Influence of Individuals on Knowledge Acquisition

The interviews with the actors involved in the project reveal that it was with the aim of acquiring knowledge that the L'Oréal managers decided to create a partnership with

the two local NGOs. L'Oréal's director for communication immediately consulted Instituto Criar, an NGO in São Paulo that had already collaborated with one of the divisions of L'Oréal in the past. The NGO helped the company to define the aims of the project and to plan its implementation. Even if L'Oréal has been operating in Brazil for 50 years, and thus had experience and understanding of the national context,³ the director for communication felt that the management had too little knowledge in this field to design and run an effective GR project, in particular given the rather short time frame. She was convinced that the early involvement of a NGO would help the company to acquire the knowledge it needed to develop an innovative and meaningful initiative.

Once L'Oréal Brazil and Instituto Criar in São Paulo had designed the aims of the Oficina de Beleza project and planned its implementation, the company wanted to expand the initiative to Rio de Janeiro, where the subsidiary is headquartered. So the management contacted a Rio-based NGO, Spectaculu, which had cooperated with some departments of L'Oréal in the past. In both NGOs the role of the founder was crucial to generate the response options, and in both organizations the founders came from the world of the arts (see Table 2). They cared deeply about the issue and invested personally in addressing it. Overall, during this stage of the process, the influence of the individuals in the three organizations was thus very high (see Table 3).

Table 2: Overview of the Two NGOs

Name	Spectaculu	Instituto Criar de TV, Cinema e Novas Mídias
Location	Rio de Janeiro	São Paulo
Year of foundation	2000	2002
Founders	Designer Gringo Cardia and the actress Marisa Orth	TV presenter Luciano Huck
Objective	The main aim is to give young people from disadvantaged areas in Rio de Janeiro the possibility to live new experiences and to make them feel like	The primary objective is to provide training to unemployed youth from disadvantaged areas that

	unique citizens capable of differentiating themselves from the others	enables them to enter into the job market, where they will continue to develop. The second aim is to prepare these young people to become agents for change in society.
Approach	<ul style="list-style-type: none"> - Permitting the students to discover arts and culture, and thus developing their openness and their self-confidence, favoring their insertion on the job market - Offering training for jobs in the field of entertainment where the founders have an important network that they frequently call on in order to help the students gain experience or to find a job 	<ul style="list-style-type: none"> - Developing a training program for technical jobs in the audiovisual sector, a sector that continues to grow in Brazil - Sharing the founder's social capital

Table 3. Cultural Embeddedness of Knowledge Acquisition in this Case

Relative importance for knowledge acquisition	
International context	Low
National context	High
Individuals	Very high

Knowledge Distribution and Sensemaking

Organizational learning goes beyond some individuals changing their practices: it presupposes the development of new behaviors and procedures in the organizations involved in the process. Therefore, in this case the knowledge acquired by some individuals to face the GR challenges should be distributed within the organizations and interpreted in a similar way. In the Oficina de Beleza project, the knowledge

distribution process had to be twofold. First, the project involves a Brazilian branch of a French multinational: the subsidiary needed thus to disseminate the practice both to the headquarters and to its different internal and external stakeholders. Second, the project involves two local NGOs with different organizational cultures: so three organizations are involved in stimulating each other to learn and to learn from one another.

Influence of the International Context on Knowledge Distribution and Sensemaking

The international context probably favored the knowledge dissemination within L'Oréal Brazil and among its stakeholders. Indeed, the choice by L'Oréal Brazil to focus on an education project fits well with the GR approach of L'Oréal in France. There, too, the company has launched several GR initiatives designed to help young people from disadvantaged areas to access to the job market. Even if the focus and the approach to the problem differed in ways that may reveal the impact of national culture on GR, this situation made it easier for the managers of the Brazilian subsidiary to disseminate the Oficina de Beleza project to the French headquarters and to the local stakeholders. They could, for example, rely on the communication on this subject developed by the company and convince its suppliers and clients that the project was part of a broader GR strategy.

The fact that the project was developed in response to the expectations of the headquarters of a multinational company also favored the knowledge distribution between the two local NGOs involved in the project. Despite very similar missions and aims, the two NGOs partners of L'Oréal in the Oficina de Beleza project differ to an important extent in the way they are organized, so L'Oréal has had to learn to deal with different ways of working to implement its GR projects. L'Oréal adapted to this difference by trying in a first stage to learn from Instituto Criar's longer experience in the field, and then sharing this expertise with Spectaculu (with the agreement of the first NGO). Significantly, the learning was not monodirectional: L'Oreal was sometimes able to stimulate the exchange of practices between the two NGOs that otherwise might not have had this opportunity.

Overall, the influence of the international context at this stage of the learning process was thus rather high.

Influence of the National Context on Knowledge Distribution and Sensemaking⁴

Comparative research on GR has shown that responses differ as a result of national and organizational cultures (Berthoin Antal, 1990, 1992), so it is to be expected that the way knowledge is shared and interpreted in the process of designing a response is heavily influenced by the national context. The prevailing sense for the role and responsibilities of business in a particular society, together with its laws and policies relating to employment and education, establish a framework within which a company, depending on its organizational culture, decides whether and how to respond to the issue of youth unemployment. What a company chooses to do in response to youth unemployment grows out of its culturally-shaped experiences, the expectations of its societal environment, and its willingness to experiment and learn to do something new.

The design of the Oficina de Beleza project was indeed largely shaped by the national context in Brazil. The two NGOs are involved in national networks that favor a certain harmonization of the educational approach throughout the implementation of the project. Furthermore, the relatively small size of L'Oréal in Brazil influenced the evaluation of the potential response options to the GR challenge. Whereas the headquarters in France are a major player in the market and have thus a wide range of potential activities, L'Oréal Brazil remains a challenger in the national market and has thus to develop more focused projects. This may explain the fact that the company has chosen to concentrate on developing education in the beauty sector rather than for any kind of professions as it is the case for the French headquarters. The influence of the national context was thus rather high at this stage of the process.

Influence of Individuals on Knowledge Distribution and Sensemaking

The analysis of the partnership between L'Oréal Brazil and the two local NGOs further illustrates that knowledge distribution and sensemaking also depend on the interests, experiences and skills of the individuals within the involved organizations. Linked to the personality of the founders, both NGOs had previously focused on jobs in the cultural sector and used the arts to develop the students' personality and to increase their chances to get access to the job market. This experience has clearly

shaped their willingness to reply to the GR challenge and to cooperate beyond organizational borders. The interviews revealed a certain number of differences in the ways the Oficina de Beleza project was designed in the two cities. These differences may be partly linked to the different local contexts in Rio de Janeiro and São Paulo, but are reinforced by the different characters and experiences of the managers of both NGOs.

Since its creation in 2004, Instituto Criar had trained some of its students for hairdressing and make-up in the audiovisual sector. Unlike beauty salons, where the employees are expected to spend time talking with the client, those who work in the audiovisual sector have to work very quickly and efficiently. The NGO had originally cooperated with a competitor of L'Oréal to organize a workshop on hair and make-up, but the partnership was cancelled in 2006 after a new manager arrived in this company. The NGO needed a new partner to support the project, and one of the divisions of the L'Oréal group in Brazil discovered the opportunity because they worked with the wife of the NGO's founder, who is also a famous TV presenter. In other words: individuals and their networks matter!

The background to the relationship with Spectaculu was very different, so there is no "general recipe" for developing a partnership for a GR initiative with a local NGO. Each one is a new learning experience. Spectaculu had approached L'Oréal for some input about hairdressing and make-up in workshops for disadvantaged youth with the aim of informing the students about the importance of their physical appearance in order to increase their self-confidence and to help them succeed in recruitment interviews. For example L'Oréal Brazil helped the NGO to organize a photo exhibition showing several students in two different ways: one photo without make-up and another one with a look of person to whom they would like to be in their future lives. When the company was looking for new ideas in 2009 for the celebration of the group's 100th anniversary, L'Oréal suggested to the Spectaculu team to strengthen their partnership by creating a new training program for hairdressing and make-up based on the experience acquired with Instituto Criar in São Paulo. The NGO accepted this opportunity to enlarge the range of technical workshops it can offer young people. The financial contribution from L'Oréal corresponds to almost to a third of Spectaculu's annual budget. Overall, during this stage of the process, the

influence of the individuals in the three organizations was thus very high (see Table 4)

Table 4: Cultural Embeddedness of Knowledge Distribution and Sensemaking in this Case

Relative importance for knowledge distribution and sensemaking	
International context	High
National context	High
Individuals	Very high

Action

Developing insights and planning next steps are important but insufficient for organizational learning: action needs to follow. Margolis and Walsh (2003) highlight the different options for companies in the field of GR: the “make” option that consists of creating the responses to the GR challenges themselves; the “buy” option that consists of funding other actors to respond; and a hybrid strategy. In the Oficina de Beleza project, L’Oréal Brazil has clearly adopted a hybrid strategy. The different courses organized by the NGOs are complemented by inputs from the company’s employees, clients, or suppliers who know the market and trends. L’Oréal also supplies most of the hair and make-up products in order to allow the students to work with professional products--and of course to give the incentive to them to continue to use L’Oréal’s products once they are in the job market and to promote them among their employers and clients.

Influence of the International Context on Action

Over the last decade a series of international standards in the field of GR has emerged, such as the Global Compact, the Global Reporting Initiative, SA 8000, or ISO 26000. These standards are rather well diffused in Brazil and the Brazilian companies and other stakeholders play an important role in their development (Sobczak & Coelho Martins, 2010). One might therefore have expected such factors to have influenced the actions taken, However, our respondents and documentation show very little impact of the international standards on the way the Oficina de

Beleza project was implemented. This circumstance might be linked to the fact international standards in GR are designed for companies and not automatically applicable to collaborative projects.

Influence of the National Context on Actions

Since the focus of the project was to improve the access of young Brazilians to the national (or local) job market, the influence of the national context in implementing the Oficina de Beleza project was rather high. The two NGOs aim at using the best Brazilian practices in the field of social work with young people from disadvantaged areas, underlining the influence of the national context beyond the local organizational one. For example, both NGOs recruit candidates through a network of public schools and other NGOs that organize cultural activities in their towns. The candidates go through a selection process aiming at insuring that the young people come from poor families, that they are motivated and that they have the necessary potential for the relevant jobs. The candidates are interviewed by the managers and trainers of the NGOs and they take tests to assess their artistic or creative potential.⁵

The organization of the courses and the pedagogical approach of the two NGOs involved in the Oficina de Beleza project with L'Oréal are also quite similar. Both NGOs not only teach technical skills, but aim also at helping the students to develop their personality. In both NGOs almost half of the courses are dedicated to soft skills, which are usually underdeveloped in public schools and in the families from disadvantaged areas. The content of the courses on civic education and behavioral competencies are quite similar in the two NGOs. Spectaculu has courses on Brazil's history and political organization. Others deal with current challenges such as human rights, sustainable development or the fight against discriminations. Spectaculu also offers English courses in partnership with a language school, as well as courses on entrepreneurship in order to open new perspectives to the students. Instituto Criar offers courses on the history of TV and cinema, on how to identify a social problem, write and implement a project using video as a tool to address it. Lastly, both NGOs have courses on the Portuguese language and on arts, aiming at initiating the students to different forms of artistic expression.

The two NGOs also offer psychological support to the students and they both established a cafeteria to ensure that the students eat at least one healthy meal per day. Instituto Criar also involves the employees in its canteen to teach the students the principles of healthy eating. From the outset, the NGO also signed a partnership with an insurance company to offer health protection to all their students. Spectaculo aims at opening up the students and their families to different forms of art by offering them free tickets for exhibitions or shows.

Influence of Individuals on Action

The influence of individuals in implementing the Oficina de Beleza project is very high. In both NGOs, the personal involvement of the founders and the on-going commitment of the managers are essential to the success of the programme. The founders use their personal networks to help the students to find internships or to take part in real projects in theatres or TV productions. The trainers in the workshops on hair and make-up are professionals, usually employees or partners from L'Oréal, which allows the students to be in direct contact with the job market. The students also emphasize the quality of their relationships with the managers and the teachers in the project, explaining that it goes beyond the transfer of professional knowledge and helps them to develop on a personal level. Beyond the organizational design of the project, the influence of the individuals is thus crucial in the stage of action (see Table 5).

Table 5. Cultural Embeddedness of Action in this Case

Relative importance for action	
International context	Low
National context	High
Individuals	Very high

Storage in Memory

The Oficina de Beleza project is too recent for us to be able to analyze to what extent it has the potential to change the organizations strategies and practices in the long run and what could be the influence of the different contexts and individuals in this

area. We can, however, speculate about potential developments, which would then need to be subjected to future research.

The international context is likely to play an important role in keeping the project in the organizations' memories since the French L'Oréal headquarters plan to communicate in different forms on the national GR projects launched to celebrate the group's 100th anniversary. It is possible that they will ask the subsidiaries to report on a regular basis on the impact of these projects, thereby stimulating an on-going learning process.

The national context is rather unlikely to play an important role in this phase, since GR initiatives are still relatively new in Brazil and few incentives for reporting exist. No legislation requires companies to report on their contributions to society. The development of the national chapter of the UN Global Compact and the ISO 26000 standard may favor more reporting in this area and thus enable the actors to store the key learning points in the memory of these reports, but these initiatives are driven by international actors and should thus be considered as belonging to the international context.

As to the role of individuals in keeping the key learning points in the memory of the organizations, it is of course important, but also fragile since these individuals may leave the organizations. The turnover in multinational companies is rather high, since managers may be asked to occupy different positions within the subsidiaries. As for NGOs, the employees also often change since wages and career perspectives are generally not as good as in companies. The fact that the project involves three organizations reduces the risk that the involved individuals leave their positions at the same time, but any change within one of the three organizations may have an impact on the close cooperation between them (see Table 6).

Table 6. Cultural Embeddedness of Storage in Memory in this Case

Relative importance for storage in memory	
International context	Very high
National context	Low
Individuals	High

Reflections on the Case

The analysis of the Oficina de Beleza project illustrates the multilevel embeddedness of organizational learning for GR. It shows that these influences appear at each stage of the organizational learning process with different degrees of importance. Even if the international context played an enormous role in the recognition by the local actors to launch the project, this context was much less relevant during its implementation. By contrast, the influence of the national context was rather low in the beginning, since GR is only emerging in Brazil, but it became increasingly important when it came to choose the appropriate project and to design its implementation. As for the influence of individuals, it appears to be very relevant throughout the whole process (see Table 7).

Table 7. Overview of Relative Influence of Culture on Stages of Organizational Learning for GR in Selected Case

	Willingness to learn	Knowledge acquisition	Knowledge distribution and sensemaking	Action	Storage in memory
International context	Very high	Low	High	Low	Very high
National context	Low	High	High	High	Low
Individuals	High	Very high	Very high	Very high	High

By definition, organizational learning for GR can never end. The next learning challenge for L'Oréal Brazil and its partners in the Oficina de Beleza project is already on the agenda. Although our interviews show that the project seems to have an important impact on the students' personal development,⁶ finding a job remains a problem.⁷ The expansion of the initiative to more participants in future will depend at least in part on finding ways to address this barrier to employment. L'Oréal and the two NGOs have learned that they need to increase their activities for job placement. L'Oréal Brazil has learned a great deal from the interaction. The process of formulating the content of the project with the NGOs provided the company with

insights not only into the situation of disadvantaged youth in the country, but also into issues relating to diversity at work. The company is considering offering training on diversity management for the employees of its clients in order to avoid discriminatory behavior against the young people from the disadvantages areas. L'Oréal Brazil is discovering the value of a broad concept of training that engages the whole individual as a citizen and creator; and it is discovering projects as experimental learning processes rather than immediate large scale activities. A key challenge for the future lies in the sharing this learning with the rest of the international company—headquarters in France and operations around the world.

The initiative that emerged from the interaction appears to be meaningful, in the sense proposed by Hess and Warren (2008), because the young people who participate in the initiative are finding jobs, although the hurdles are greater than originally anticipated. The process of developing the initiative supports the expectation that “meaningful initiatives are likely to require relational commitment and the use of a firm’s strategic resources” (Hess & Warren, 2008, p. 173), because it was not an “off the shelf” product and the company provided not only financial support but also participated by bringing in employees and connections to its suppliers and customers. The initiative grew out of the dialogue between the subsidiary and the NGOs and was adapted to the settings in the two cities. The partners are continuing to revise it in light of the experience on the ground. It remains to be seen whether the multinational will extend the learning opportunity this initiative represents by experimenting elsewhere with ideas it has tried out in this context.

Conclusion and Outlook

The objective of this contribution has been to introduce and illustrate a model to address the multilevel cultural embeddedness of organizational learning for GR. One of the findings from this exercise is that the context that is learned about is altered by the learning process: as foreign and local organizations cooperate to address an issue, their process of generating a new approach together and trying it out expands the range of choices available to other organizations, contributing to redefining expectations about the roles and responsibilities of business in society. An interesting finding for the development of organizational learning theory is that problem definition may occur at a later stage in the learning process than current models indicate. If

learning is triggered by an event that is considered an opportunity rather than a problem, the specification of a problem for a GR initiative to address may need to be undertaken during the knowledge acquisition phase. The authors therefore believe that the model we have started developing has potential to generate further valuable insights. The case of the Oficina de Beleza has been presented as a first step to enable us to conduct more comprehensive studies in future, and to encourage other scholars to develop and improve the model. Our work so far leads us to suggest a few topics to put on the research agenda.

- This contribution uses broad brush strokes to establish the plausibility of the model by drawing on data generated in an earlier study; future research should be designed specifically around the model, and it should delve back into the organizational learning literature for additional concepts that would permit a more fine-grained analysis. For example, it should draw on differentiations between different kinds of learning and knowledge (e.g. single loop, double loop, and deutero learning; unlearning; imitation learning; knowledge creation) and it should address the multiple kinds of barriers to and enablers of organizational learning for GR.
- We applied our model to explore how organizational learning for GR is culturally embedded, and we showed with one case that a mix of an older organization and new NGOs may be effective learning constellations. Future research should explore whether this case is exceptional or whether such constellations play an important role in shaping the discourse and practice of GR in Brazil.
- Clearly, international companies and international NGOs have contributed to the formulation of expectations and the implementation of new initiatives. But it is equally significant to note that Brazilian organizations are starting to exert an influence on the international level, so the flow is not monodirectional. Over the last decade, Brazilian companies and other stakeholder groups have been actively involved in several international initiatives aiming at promoting GR. This choice has brought the GR discourse and practices in Brazil closer to what happens in other parts of the world, reducing to a certain extent the specific features of the relations between business and society in both countries. Significantly, this involvement has also allowed Brazilian companies and other stakeholder groups to influence the spirit and the content of new international

initiatives rather than simply being recipients of the standards developed by others. These learning processes deserve more attention, in particular to specify their implications for more complex understandings of multiple levels of cultural embeddedness.

- A few examples of interorganizational learning fanning outwards from Brazil that would be fruitful for future research are:

(1) The involvement of Brazilian actors in the UN Global Compact, another “voluntary club” that is shaping discourse and practice (Prakash & Potoski, 2007). In January 2013, out of the 7,100 signatory companies of the ten principles relating to human rights, labor standards, environmental protection, and the fights against corruption, 321 have their headquarters in Brazil, the third largest number of signatories (after Spain with 991 companies, France with 771).

. The mix of signatory organizations to the Global Compact in Brazil illustrates the importance of the non-profit sector: while at the international level more than 25% of the signatories are not businesses, in Brazil this rate attains 30%. As is true of other countries, the signatories of the Global Compact have created very active national networks that organize workshops for the members, in particular to help them in drafting their communication on progress reports, but also to learn from each other on how to implement the ten principles in the local context. The national network, like those in other countries with similarly strong membership, is closely involved in the governance of the Global Compact and contributes to shape the future of this initiative, be it through decisions on how to promote the ten principles or on the evolution of the requirements in terms of reporting. They may also take more general initiatives aiming at promoting GR and sustainable development. For example, the Brazilian network has created an educational committee that tries to integrate these values in the national education plan.

(2) Brazilian companies are also quite proactive towards the emerging international standards in the field of GR. For example, 87 Brazilian sites have obtained the SA 8000 certification that focuses on the social responsibilities towards employees (Gilbert & Rasche, 2007). Brazil is consequently the fourth country in the world for the number of SA 8000 certifications. The ISO 14001 certification in the field of environmental management (Bansal & Hunter, 2003) has been obtained by almost 2,500 Brazilian companies, corresponding to 57% of all ISO 14001 certifications in South America (Gavronski, Ferrer, & Paiva, 2008).

(3) Brazil has been highly involved in the elaboration of the future international GR guideline ISO 26000, which was adopted at the end of 2010. Through the Brazilian Association of Technical Standards (ABNT), Brazil is one of the two leaders of the work group preparing this standard together with Swedish Standards Institute (SIS). In this role of coordination, the country can rely on its experience with the national GR standard NBR 16001 that has been launched in 2004 to certify the existence of a management system in the fields of ethics, citizenship and sustainable development.

Applying the model the authors have started to develop to a series of cases such as the three suggested above, and adding some cases emanating from other countries and continents as well, would generate a considerably richer picture of the dynamics of GR learning than we currently have.

Overall, the authors recommend that more use be made in comparative studies of “the most different systems” approach (Przeworski, 1987), as was recently productively done in the comparison of the emergence and practice of CSR in Mexico and France (Blasco & Zølner, 2010). Such a strategy will not only eliminate the white spots on the map of Global Responsibility discourse and practices around the world, it will also reveal implicit assumptions and open new possibilities that remain undiscovered when the frame of reference is narrowed to “most similar systems.” Longitudinal studies should also take into account the changing roles of actors. For example, under which conditions do voluntary clubs at the local, national, and international level emerge as effective platforms for organizational learning for GR? Research should also explore shifts in the constellations of old and new stakeholders at each level of discourse and practice across cultures. For example, how is the role of the unions being re-defined as the scope of GR expands and the stakeholders involved grow and shift? Is the current comparatively high involvement of European unions in shaping GR at the national and international level a harbinger of things to come or rather just a vestige of old power constellations? Yet another research topic that emerges from this study is the value of arts-based activities in GR. In this case, instead of limiting the training to technical skills, the NGOs drew on the arts to develop the young people as human beings who could also become agents for change in society. Scholars have been examining how organizations are drawing on

the arts for diverse objectives (Berthoin Antal, 2009; Darsø, 2004), but the connection to GR remains unexplored.

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Bios

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Figure 1. Stage Model of Organizational Learning

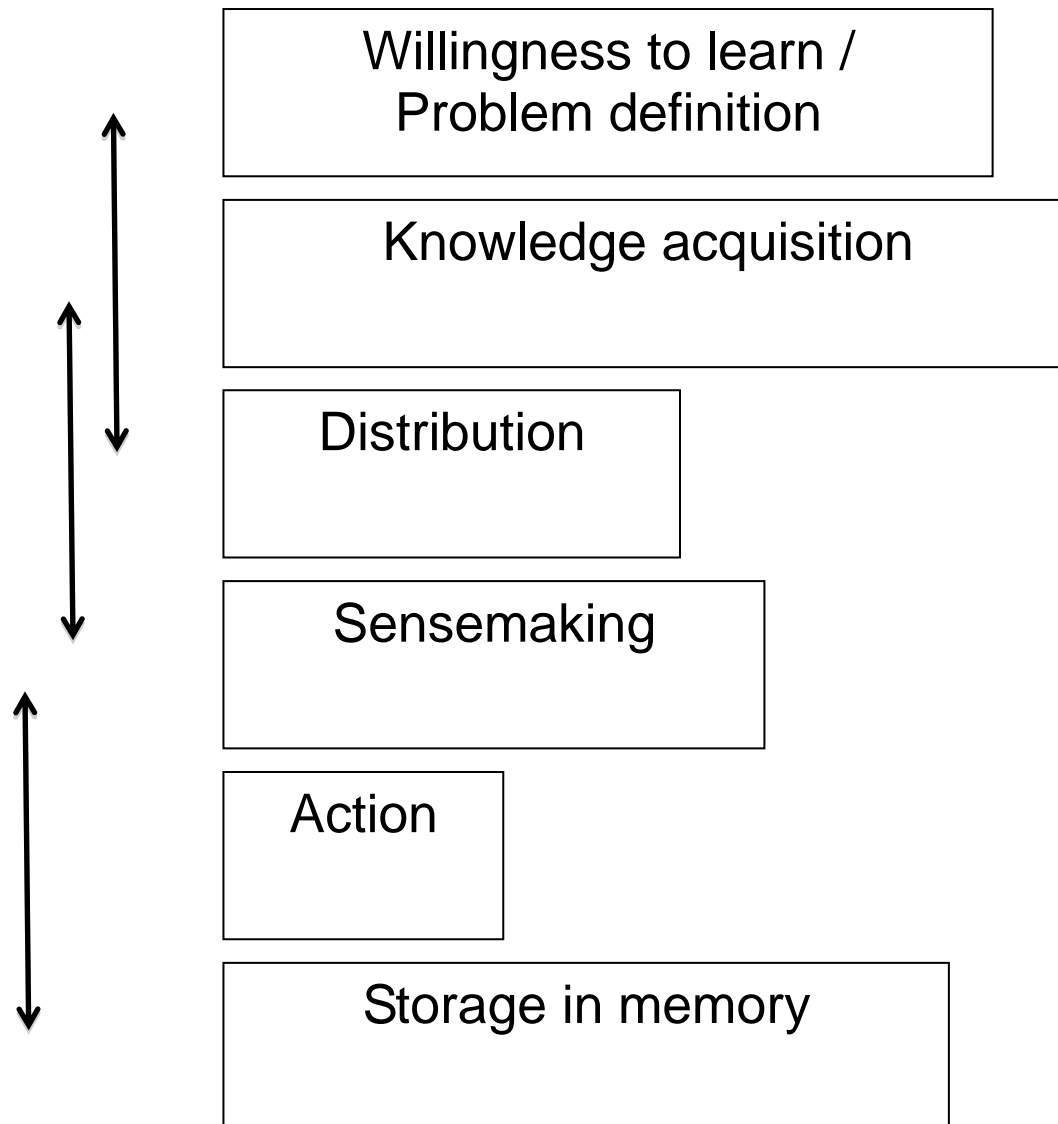
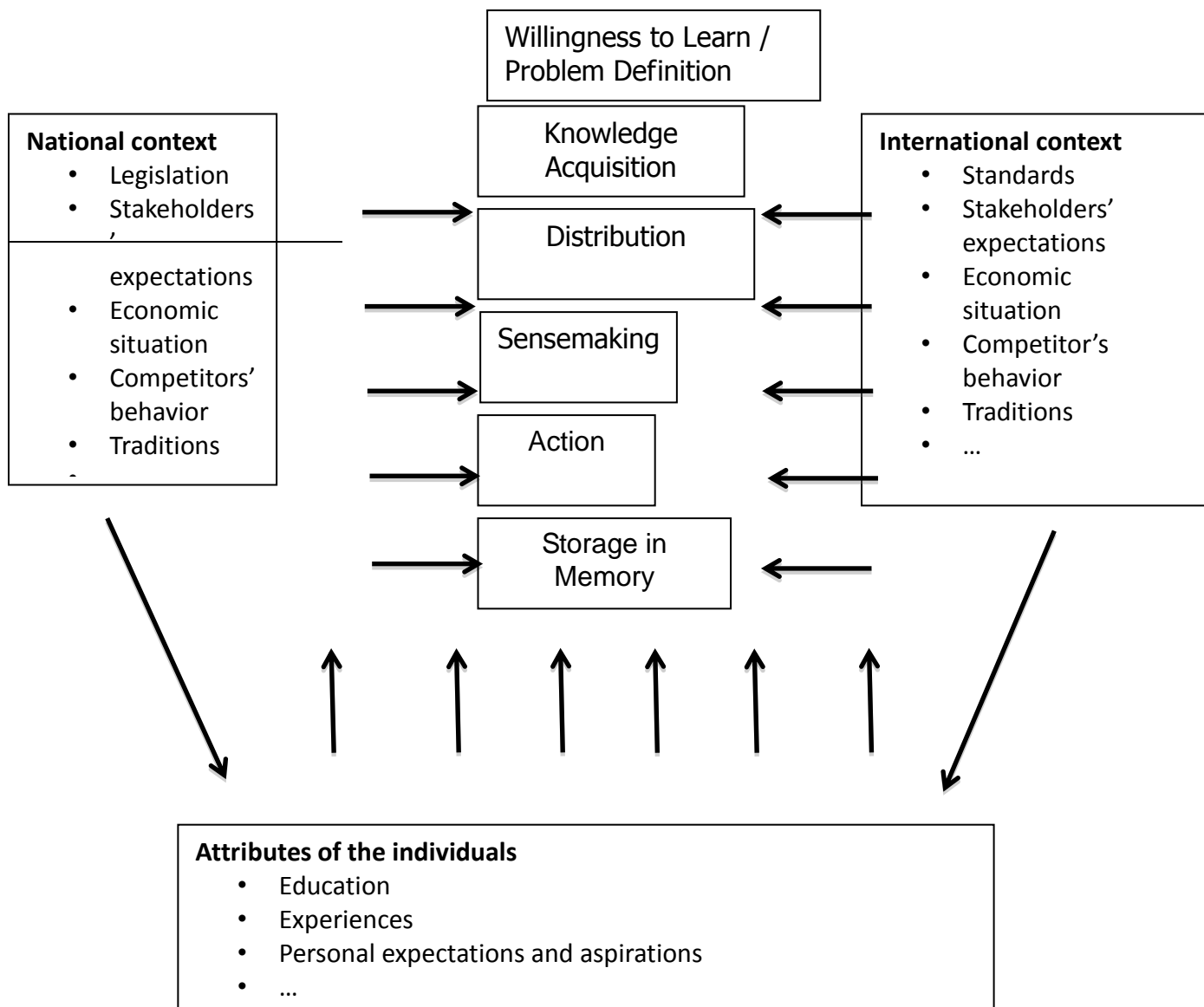


Figure 2. Model of Culturally Embedded Organizational Learning [



ENDNOTES

¹ The concept of stakeholder management suppresses the words “business” and “corporate” but implicitly retains the centrality of corporations, since the focus is on how companies should manage their stakeholders (Clarkson Centre for Business Ethics, 1999).

² The case study in Brazil was conducted for a different reason, so it was not designed with this framework in mind. The authors are drawing on those findings here simply to illustrate the potential of the model.

³ Note that the focus of this illustration is on the interorganizational learning process entailed in developing and implementing a GR initiative in Brazil today, not on L’Oréal Brazil’s performance and other GR-related activities.

⁴ Organizational theory tends to distinguish between the stages of knowledge distribution and shared interpretation, but the authors’ data for this illustration do not allow us to do so. The relevance of maintaining such an analytical distinction for future research would have to be explored with more extensive data.

⁵ The selection process is very difficult, in particular because the number of candidates increases every year thanks to the success of the NGOs in inserting the students on the job market. For example, in 2009, Instituto Criar received more than 750 applications for the 150 students they accept. The workshop on hair and make-up is even more selective, with almost 200 applicants for 12 slots.

⁶ All interviewed students described how the training program has helped them to become more self-confident, in particular thanks to the initiation to different forms of artistic expression. They also recognize that the program increases their openness. Whereas they have previously been excluded in the suburbs, the students gain autonomy and mobility to be part of the cultural, social and economic life of their towns. In a similar vein, whereas very few of them had attended artistic events before entering the program, they are now used to explore exhibitions, concerts and theatre shows. The project's impact even goes further insofar as the students often bring their friends and family members to these events.

⁷ At Insituto Criar, only 55% of the students of the workshop on hair and make-up find a job after the training program compared to an average of 70% for all the workshops offered by the NGO. One of the objectives L'Oréal has formulated for the NGO is to achieve at least the average level for the students of the Oficina de Beleza project. At Spectaculu, many students who have followed the workshop on hair and make-up continue their studies in other areas after the training program.